

SENATE BILL 2242

By Norris

AN ACT to amend Tennessee Code Annotated, Title 45,  
Chapter 1 and Title 45, Chapter 2, Part 20, relative  
to private trust companies.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 45-2-2001(b)(2)(D), is amended by deleting subdivisions (vii) and (viii) and substituting the following:

(vii) A family affiliate, its directors, officers, managers, or trustees and their immediate family;

(viii) A family services provider; and

(ix) A maximum of thirty-five (35) individuals designated by the private trust company if each individual is a full-time employee of a family affiliate. Any individual described in subdivisions (b)(2)(D)(i)-(viii) does not count against the maximum number of individuals established by this subdivision (b)(2)(D)(ix);

SECTION 2. Tennessee Code Annotated, Title 45, Chapter 2, Part 20, is amended by adding the following as a new, appropriately designated section:

(a) The commissioner shall not modify or revoke any exemption granted to a private trust company under § 45-2-2001 unless:

(1) The commissioner determines that, based upon the safety and soundness of the private trust company or any action that the private trust company has taken or proposes to take, modification or revocation is necessary to protect the viability of the private trust company; or

(2) The private trust company fails to comply with any conditions or limitations imposed by the commissioner in connection with granting the exemption.

(b) The commissioner's authority to modify an exemption under subsection (a) includes the authority to impose conditions or limitations with respect to the exemption.

(c)

(1) The commissioner must provide notice in writing to the private trust company at least thirty (30) days prior to the effective date of the proposed modification or revocation of an exemption.

(2) Within thirty (30) days following receipt of the notice provided pursuant to subdivision (c)(1), the private trust company may request in writing that the commissioner hold a hearing for the private trust company to show cause as to why the proposed modification or revocation of an exemption should not become effective.

(3) If a hearing is requested within the time period set forth in subdivision (c)(2), the commissioner shall schedule and conduct the hearing, and the proposed modification or revocation shall not become effective until the commissioner's final determination following the hearing.

(4) If a hearing is not requested within the time period set forth in subdivision (c)(2), the proposed modification or revocation shall become effective without further notice or hearing on the date specified in the notice provided pursuant to subdivision (c)(1).

(d) This section does not modify, limit, or repeal § 45-2-2003.

SECTION 3. If any provision of this act or the application of this act to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act that can be given effect without the invalid provision or application, and to that end the provisions of this act are declared severable.

SECTION 4. This act shall take effect July 1, 2018, the public welfare requiring it.